



THE  
MACRO  
SHOW

APRIL 28, 2017

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# HEDGEYE ASSET ALLOCATION

	CASH	U.S. EQUITIES	INT'L EQUITIES	COMMODITIES	FOREIGN EXCHANGE	FIXED INCOME
4/27/2017	42	18	12	0	24	4
4/28/2017	41	18	12	0	25	4

	CASH	U.S. EQUITIES	INT'L EQUITIES	COMMODITIES	FOREIGN EXCHANGE	FIXED INCOME
4/27/2017	42%	55%	36%	0%	73%	12%
4/28/2017	41%	55%	36%	0%	76%	12%

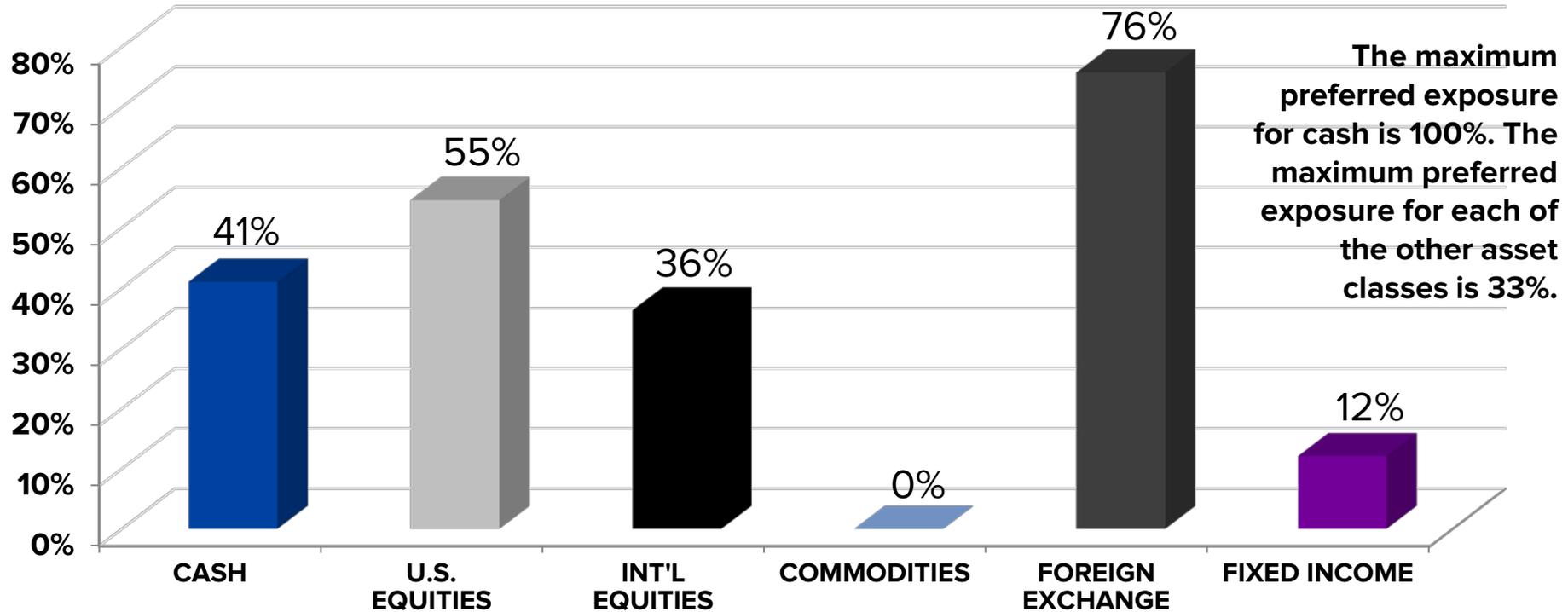
The maximum preferred exposure for cash is 100%. The maximum preferred exposure for each of the other asset classes is 33%.

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# HEDGEYE ASSET ALLOCATION



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**1 NASDAQ**



**2 VIX**

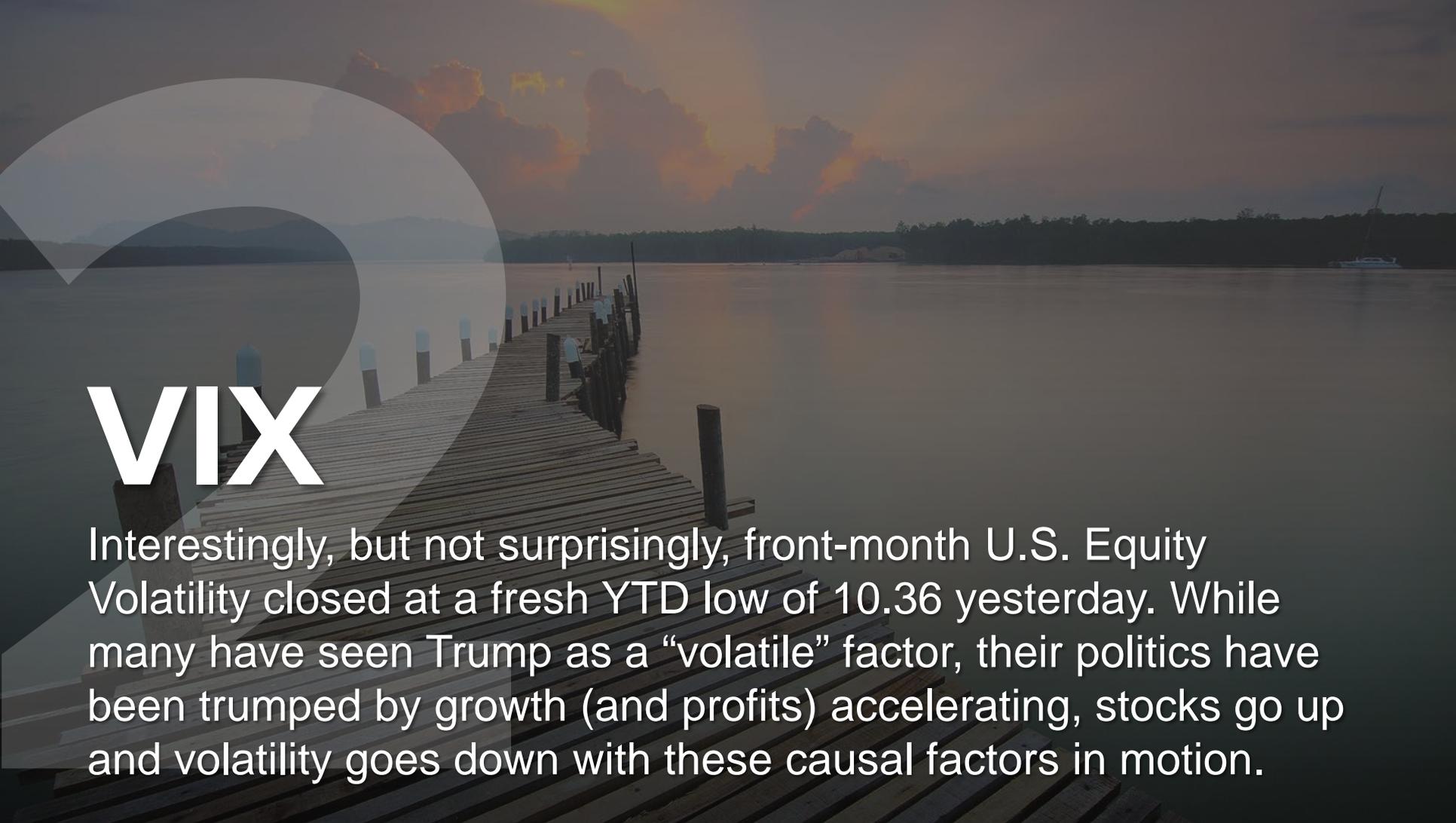


**3 COMMODITIES**



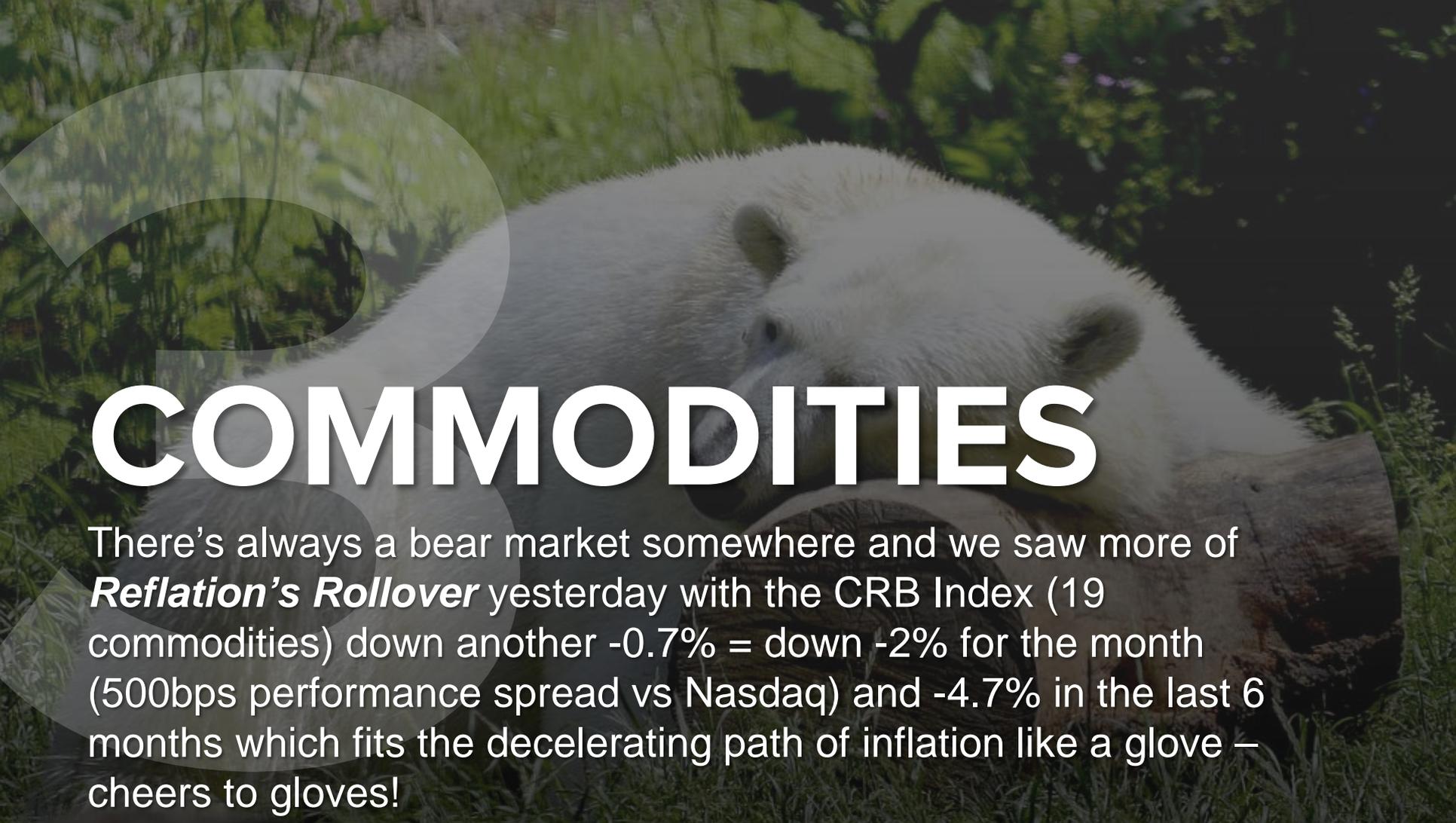
# NASDAQ

Another all-time closing high for U.S. *#GrowthAccelerating* (QQQ) yesterday with the Nasdaq closing at 6048 = +3% for the month and +14.8% in the last 6 months which fits the accelerating path of both U.S. growth and profits like a glove. GOOG and AMZN not crashing this morning...



# VIX

Interestingly, but not surprisingly, front-month U.S. Equity Volatility closed at a fresh YTD low of 10.36 yesterday. While many have seen Trump as a “volatile” factor, their politics have been trumped by growth (and profits) accelerating, stocks go up and volatility goes down with these causal factors in motion.



# COMMODITIES

There's always a bear market somewhere and we saw more of *Reflation's Rollover* yesterday with the CRB Index (19 commodities) down another -0.7% = down -2% for the month (500bps performance spread vs Nasdaq) and -4.7% in the last 6 months which fits the decelerating path of inflation like a glove — cheers to gloves!

**MACRO GRIND**

WHY ARE  
YOU STILL SO  
BEARISH?

I'M  
AFRAID OF  
HEIGHTS.



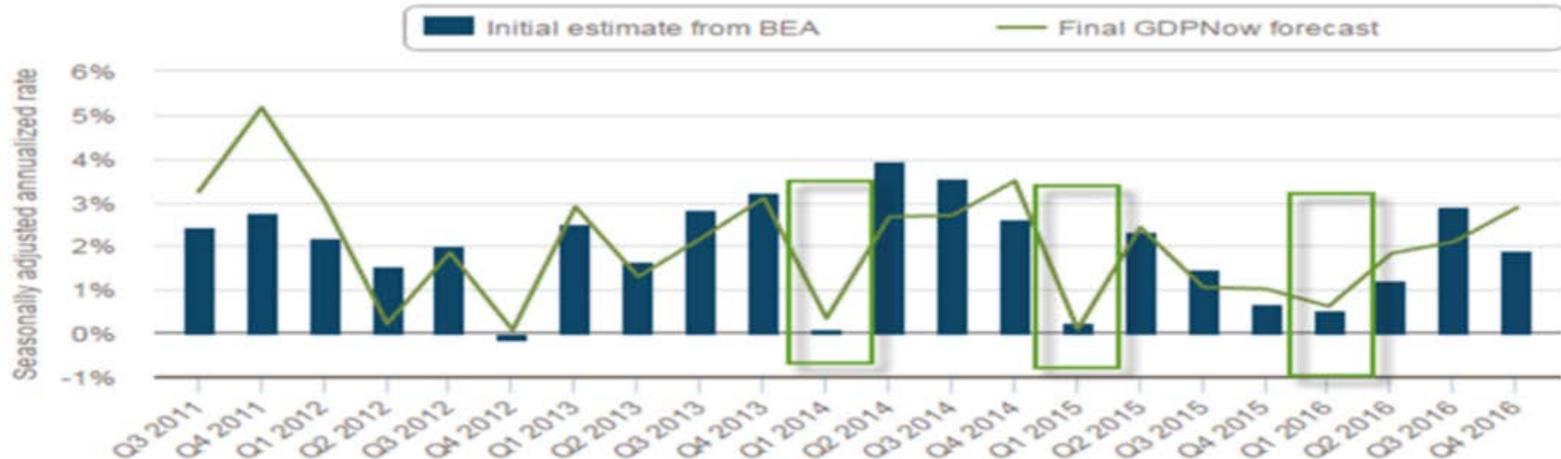
D. Rich  
**HEDGEYE**

# RESIDUAL SEASONALITY OR JUST PLAIN NO GROWTH?

WHILE NOT NECESSARILY USEFUL FOR INVESTORS (AVERAGE INTRA-QUARTER TRACKING ERROR = 230BPS; AVERAGE TRACKING ERROR OF ITS FINAL ESTIMATE = 64BPS), THE ATLANTA FED'S "GDPNOWCAST" MODEL IS PRETTY GOOD AT SNIFFING OUT RESIDUAL SEASONALITY IN Q1 GDP. WILL THAT BE THE CASE IN 1Q17E?

## Actual and Final GDPNow Forecasts of Initial BEA Estimates of Quarterly Real GDP Growth

Export



Note: The measures of forecast accuracy are root mean-squared error: 0.83 percentage points; average absolute error: 0.64 percentage points.

Sources: U.S. Bureau of Economic Analysis (BEA) and Federal Reserve Bank of Atlanta



FEDERAL RESERVE BANK of ATLANTA

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# REUTERS/JEFFERIES CRB INDEX



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# VOLATILITY INDEX



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# NASDAQ COMPOSITE INDEX



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**Keith McCullough**  @KeithMcCullough · 2h

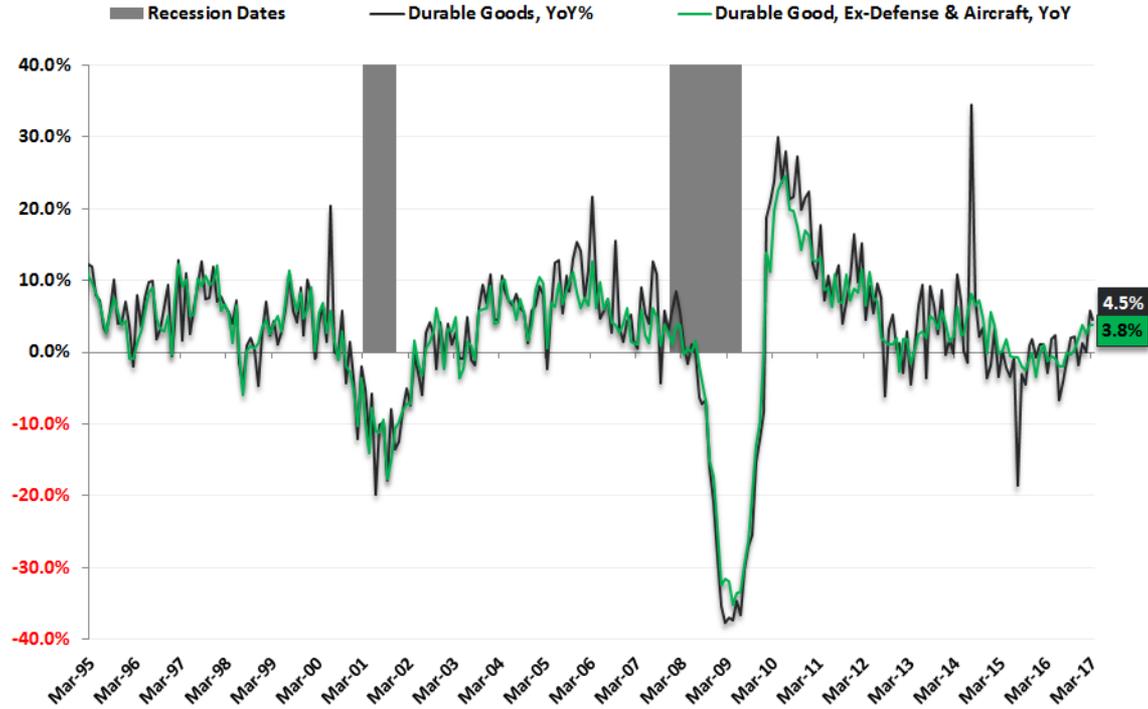
This is Bloomberg's headline (Nasdaq closed at an all-time high and US Equity Futures are up)? [pic.twitter.com/eOwYAZAjFc](https://pic.twitter.com/eOwYAZAjFc)

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# U.S. DURABLE GOODS



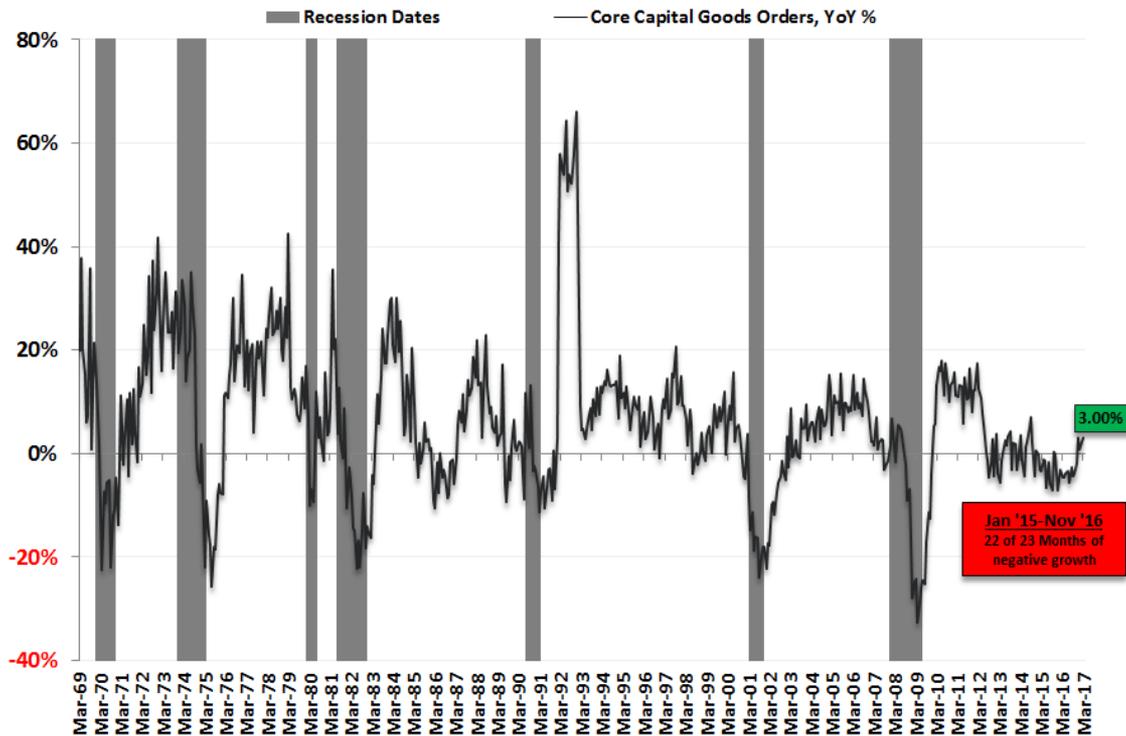
DATA SOURCE: BLOOMBERG, NBER, CENSUS BUREAU, HRM

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# CAPITAL GOODS ORDERS



DATA SOURCE: BLOOMBERG, CENSUS BUREAU, HRM

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# U.S. DURABLE & CAPITAL GOODS

	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
<b>GDP: Durable Goods in Context</b>													
Real GDP, Chained \$'s	16,525	-	-	16,583	-	-	16,727	-	-	16,813	-	-	-
Consumer Spending ( Real PCE)	11,374	11,457	11,475	11,522	11,558	11,546	11,603	11,637	11,663	11,709	11,685	11,676	-
Services	7,405	7,441	7,453	7,482	7,497	7,504	7,525	7,532	7,557	7,571	7,561	7,550	-
Goods (i.e. Retail Sales)	3,974	4,023	4,029	4,047	4,069	4,048	4,087	4,116	4,116	4,151	4,135	4,138	-
<b>Durable Goods</b>	<b>1,527</b>	<b>1,556</b>	<b>1,556</b>	<b>1,571</b>	<b>1,607</b>	<b>1,583</b>	<b>1,623</b>	<b>1,644</b>	<b>1,636</b>	<b>1,664</b>	<b>1,646</b>	<b>1,645</b>	-
NonDurable Goods	2,478	2,500	2,506	2,510	2,502	2,501	2,505	2,515	2,522	2,532	2,532	2,535	-
<i>Durable Goods, % of PCE</i>	<i>13.4%</i>	<i>13.6%</i>	<i>13.6%</i>	<i>13.6%</i>	<i>13.9%</i>	<i>13.7%</i>	<i>14.0%</i>	<i>14.1%</i>	<i>14.0%</i>	<i>14.2%</i>	<i>14.1%</i>	<i>14.1%</i>	-
<i>Durable Goods, % of GDP</i>	<i>9.2%</i>	-	-	<i>9.5%</i>	-	-	<i>9.7%</i>	-	-	<i>9.9%</i>	-	-	-

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**DURABLE GOODS**

<b>Durable Goods - New Orders</b>	228,499	235,729	228,827	219,055	226,948	227,470	228,204	239,530	228,192	226,239	231,752	237,085	238,713
M/M, % Chg	2.0%	3.2%	-2.9%	-4.3%	3.6%	0.2%	0.32%	4.96%	-4.73%	-0.86%	2.4%	2.3%	0.7%
Y/Y, % Chg	-2.8%	1.8%	2.4%	-6.7%	-4.1%	-1.0%	2.0%	2.1%	-1.9%	1.3%	0.0%	5.8%	4.5%
2Y Ave	-1.3%	-0.2%	-0.6%	-3.7%	-11.4%	-2.1%	-1.3%	1.5%	0.0%	0.2%	0.6%	3.5%	0.8%
<b>Durable Goods - Ex-Transports</b>	148,523	148,984	148,237	147,738	149,315	149,367	149,526	151,198	152,838	154,159	154,649	155,744	155,417
M/M, % Chg	0.3%	0.3%	-0.5%	-0.3%	1.1%	0.0%	0.1%	1.1%	1.1%	0.9%	0.3%	0.7%	-0.2%
Y/Y, % Chg	-2.0%	-1.4%	-0.8%	-3.5%	-1.1%	-0.7%	-0.2%	0.3%	2.6%	4.0%	2.8%	5.1%	4.6%
2Y Ave	-2.0%	-1.3%	-1.7%	-3.1%	-1.5%	-2.4%	-2.7%	-0.8%	0.5%	0.4%	1.1%	1.9%	1.3%
<b>Durable Goods - Ex-Defense</b>	213,435	221,094	217,471	208,679	214,721	213,081	215,784	227,044	211,899	214,486	219,189	225,199	225,354
M/M, % Chg	-0.5%	3.6%	-1.6%	-4.0%	2.9%	-0.8%	1.3%	5.2%	-6.7%	1.2%	2.2%	2.7%	0.1%
Y/Y, % Chg	-4.4%	0.0%	2.2%	-6.5%	-3.9%	-2.8%	0.9%	2.5%	-2.0%	1.1%	-0.2%	5.0%	5.6%
2Y Ave	-1.9%	1.0%	-0.6%	-3.3%	-12.2%	-3.1%	-2.1%	1.7%	-1.4%	-0.2%	0.2%	2.7%	0.6%
<b>Durable Goods - Non-Defense Aircraft &amp; parts</b>	10,226	17,309	16,341	6,591	11,394	8,626	11,264	21,903	4,295	4,686	8,583	13,496	14,437
M/M, % Chg	-2.0%	69.3%	-5.6%	-59.7%	72.9%	-24.3%	30.6%	94.5%	-80.4%	9.1%	83.2%	57.2%	7.0%
Y/Y, % Chg	-41.6%	7.9%	61.9%	-61.6%	-28.1%	-41.6%	32.7%	26.7%	-66.4%	-54.2%	-39.7%	29.4%	-41.2%
2Y Ave	-18.0%	6.0%	12.0%	-26.7%	-53.0%	-30.7%	-4.8%	26.3%	-37.2%	4.3%	-13.3%	7.9%	-0.2%
<b>Durable Goods - Ex-Defense &amp; Aircraft</b>	203,209	203,785	201,130	202,088	203,327	204,455	204,520	205,141	207,604	209,800	210,606	211,703	210,917
M/M, % Chg	-0.4%	0.3%	-1.3%	0.5%	0.6%	0.6%	0.0%	0.3%	1.2%	1.1%	0.4%	0.5%	-0.4%
Y/Y, % Chg	-1.2%	-0.6%	-0.8%	-2.0%	-2.0%	0.0%	-0.4%	0.4%	2.0%	3.9%	2.5%	3.8%	3.8%
2Y Ave	-0.5%	0.6%	-0.7%	-1.3%	-1.4%	-0.9%	-1.5%	-0.2%	0.9%	0.3%	1.2%	2.5%	1.3%
<b>Durable Goods - Ex-Defense &amp; Transports</b>	133,459	134,349	136,881	137,362	137,088	134,978	137,106	138,712	136,545	142,406	142,086	143,858	142,058
M/M, % Chg	-3.6%	0.7%	1.9%	0.4%	-0.2%	-1.5%	1.6%	1.2%	-1.6%	4.3%	-0.2%	1.2%	-1.3%
Y/Y, % Chg	-4.4%	-4.4%	-1.3%	-3.1%	-0.4%	-3.5%	-2.0%	0.7%	2.9%	4.0%	2.8%	3.9%	6.4%
2Y Ave	-3.0%	0.7%	-1.8%	-2.5%	-2.4%	-4.0%	-4.1%	-0.7%	-1.4%	-0.2%	0.6%	0.5%	1.0%
<b>CAPITAL GOODS - Non-Defense Ex-Air</b>	63,109	62,546	62,153	62,437	62,931	63,681	62,710	63,044	64,133	64,676	64,783	64,880	65,004
M/M, % Chg	0.3%	-0.9%	-0.6%	0.5%	0.8%	1.2%	-1.5%	0.5%	1.7%	0.8%	0.2%	0.1%	0.2%
Y/Y, % Chg	-4.6%	-4.7%	-4.0%	-3.5%	-5.6%	-2.6%	-4.5%	-4.0%	-2.0%	3.1%	0.8%	3.1%	3.0%
2Y Ave	-4.0%	-3.0%	-2.7%	-5.1%	-3.6%	-4.2%	-5.8%	-1.9%	-1.1%	-2.0%	-2.2%	-0.1%	-0.8%

Source: Bloomberg, Census.gov, BEA, HRM

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# U.S. RETAIL SALES

	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
<b>GDP: Retail Sales in Context</b>													
Real GDP, Chained \$'s	16,525	-	-	16,583	-	-	16,727	-	-	16,813	-	-	-
Consumer Spending ( Real PCE)	11,374	11,457	11,475	11,522	11,558	11,546	11,603	11,637	11,663	11,709	11,685	11,676	-
Services	7,405	7,441	7,453	7,482	7,497	7,504	7,525	7,532	7,557	7,571	7,561	7,550	-
Goods (i.e. Retail Sales)	3,974	4,023	4,029	4,047	4,069	4,048	4,087	4,116	4,116	4,151	4,135	4,138	-
Durable Goods	1,527	1,556	1,556	1,571	1,607	1,583	1,623	1,644	1,636	1,664	1,646	1,645	-
NonDurable Goods	2,478	2,500	2,506	2,510	2,502	2,501	2,505	2,515	2,522	2,532	2,532	2,535	-
<i>Retail Sales, % of PCE</i>	<i>34.9%</i>	<i>35.1%</i>	<i>35.1%</i>	<i>35.1%</i>	<i>35.2%</i>	<i>35.1%</i>	<i>35.2%</i>	<i>35.4%</i>	<i>35.3%</i>	<i>35.4%</i>	<i>35.4%</i>	<i>35.4%</i>	-
<i>Retail Sales, % of GDP</i>	<i>24.0%</i>	-	-	<i>24.4%</i>	-	-	<i>24.4%</i>	-	-	<i>24.7%</i>	-	-	-
<b>RETAIL SALES</b>													
Retail Sales, Total SA	447.8	453.4	454.1	457.4	457.8	457.7	462.3	465.3	466.0	470.6	473.1	471.9	470.8
M/M, % Chg	-0.3%	1.3%	0.2%	0.7%	0.1%	0.0%	1.0%	0.7%	0.2%	1.0%	0.5%	-0.3%	-0.2%
Y/Y, % Chg	1.7%	3.0%	2.2%	2.8%	2.4%	2.2%	3.3%	4.2%	3.9%	4.4%	5.9%	5.1%	5.2%
2Y Ave	2.1%	2.3%	2.3%	2.5%	2.5%	2.2%	2.7%	2.9%	2.8%	3.7%	4.2%	4.3%	3.4%
Retail Sales Ex Autos	357.8	361.4	362.4	365.3	363.9	363.7	366.5	368.8	369.8	371.4	375.5	375.7	375.8
M/M, % Chg	0.5%	1.0%	0.3%	0.8%	-0.4%	0.0%	0.8%	0.6%	0.3%	0.4%	1.1%	0.0%	0.0%
Y/Y, % Chg	2.0%	3.1%	2.6%	3.2%	2.1%	2.1%	3.1%	4.0%	3.9%	3.7%	5.8%	5.5%	5.0%
2Y Ave	1.7%	1.9%	1.9%	2.1%	2.0%	1.7%	2.1%	2.2%	2.2%	2.9%	3.9%	4.0%	3.5%
Retail Sales Ex Autos & Gas	325.8	328.4	328.9	331.0	330.3	330.6	332.3	333.6	334.6	335.1	338.5	338.8	339.3
M/M, % Chg	0.1%	0.8%	0.1%	0.6%	-0.2%	0.1%	0.5%	0.4%	0.3%	0.2%	1.0%	0.1%	0.1%
Y/Y, % Chg	3.8%	4.5%	4.0%	4.7%	3.6%	3.5%	3.7%	4.2%	3.9%	3.3%	4.9%	4.1%	4.1%
2Y Ave	4.3%	4.3%	4.2%	4.1%	4.1%	3.7%	3.9%	3.7%	3.6%	3.7%	4.1%	4.4%	3.9%
<b>Control Group:</b>													
Retail Sales less Food, Autos, Gas & Building mat	249.6	252.3	253.3	254.1	253.5	253.7	254.5	256.0	256.0	256.9	258.8	258.2	259.6
M/M, % Chg	0.1%	1.1%	0.4%	0.3%	-0.2%	0.1%	0.3%	0.6%	0.0%	0.3%	0.7%	-0.2%	0.5%
Y/Y, % Chg	2.6%	3.8%	3.5%	3.8%	3.0%	3.0%	2.9%	3.8%	3.3%	3.4%	4.4%	3.6%	4.0%
2Y Ave	3.2%	3.5%	3.6%	3.4%	3.3%	3.0%	3.2%	3.2%	2.9%	3.2%	3.5%	3.4%	3.3%
QoQ Annualized, %	2.1%			6.9%			1.1%			3.7%			4.0%

# U.S. RETAIL SALES

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Services	7,405	7,441	7,453	7,482	7,497	7,504	7,525	7,532	7,557	7,571	7,561	7,550	-
Goods (i.e. Retail Sales)	3,974	4,023	4,029	4,047	4,069	4,048	4,087	4,116	4,116	4,151	4,135	4,138	-
Durable Goods	1,527	1,556	1,556	1,571	1,607	1,583	1,623	1,644	1,636	1,664	1,646	1,645	-
NonDurable Goods	2,478	2,500	2,506	2,510	2,502	2,501	2,505	2,515	2,522	2,532	2,532	2,535	-
<i>Retail Sales, % of PCE</i>	<i>34.9%</i>	<i>35.1%</i>	<i>35.1%</i>	<i>35.1%</i>	<i>35.2%</i>	<i>35.1%</i>	<i>35.2%</i>	<i>35.4%</i>	<i>35.3%</i>	<i>35.4%</i>	<i>35.4%</i>	<i>35.4%</i>	-
<i>Retail Sales, % of GDP</i>	<i>24.0%</i>	-	-	<i>24.4%</i>	-	-	<i>24.4%</i>	-	-	<i>24.7%</i>	-	-	-
<b>RETAIL SALES</b>													
Retail Sales, Total SA	450.8	455.0	456.0	459.4	459.5	459.2	463.7	466.4	467.0	471.0	473.5	472.3	471.5
M/M, % Chg	-0.1%	0.9%	0.2%	0.8%	0.0%	-0.1%	1.0%	0.6%	0.1%	0.9%	0.5%	-0.2%	-0.2%
Y/Y, % Chg	2.0%	2.9%	2.2%	3.0%	2.3%	2.1%	3.2%	4.0%	3.7%	4.0%	5.6%	4.7%	4.6%
2Y Ave	2.4%	2.4%	2.5%	2.8%	2.7%	2.2%	2.8%	2.9%	2.8%	3.5%	4.2%	4.3%	3.3%
Retail Sales Ex Autos	358.9	362.0	363.2	366.3	364.6	364.4	367.3	369.3	370.1	371.1	375.1	375.2	375.3
M/M, % Chg	0.4%	0.9%	0.3%	0.8%	-0.4%	-0.1%	0.8%	0.5%	0.2%	0.3%	1.1%	0.0%	0.0%
Y/Y, % Chg	2.0%	3.0%	2.5%	3.3%	1.9%	1.9%	3.0%	3.7%	3.6%	3.2%	5.4%	4.9%	4.6%
2Y Ave	1.9%	1.9%	2.0%	2.4%	2.1%	1.6%	2.1%	2.2%	2.2%	2.7%	3.9%	3.9%	3.3%
Retail Sales Ex Autos & Gas	325.9	327.9	328.4	330.6	329.8	330.1	331.8	332.8	333.8	333.6	336.9	337.1	337.5
M/M, % Chg	0.0%	0.6%	0.2%	0.7%	-0.2%	0.1%	0.5%	0.3%	0.3%	0.0%	1.0%	0.1%	0.1%
Y/Y, % Chg	3.7%	4.2%	3.9%	4.7%	3.4%	3.3%	3.6%	3.9%	3.7%	2.7%	4.5%	3.4%	3.6%
2Y Ave	4.3%	4.2%	4.2%	4.2%	4.0%	3.6%	3.8%	3.6%	3.5%	3.4%	3.9%	4.1%	3.6%
<b>Control Group:</b>													
Retail Sales less Food, Autos, Gas & Building mat	249.7	252.3	253.0	253.9	253.3	253.3	254.3	255.4	255.3	256.1	257.5	256.7	258.2
M/M, % Chg	-0.1%	1.0%	0.3%	0.4%	-0.2%	0.0%	0.4%	0.4%	0.0%	0.3%	0.6%	-0.3%	0.6%
Y/Y, % Chg	2.4%	3.7%	3.4%	3.9%	2.8%	2.7%	2.8%	3.4%	2.9%	2.8%	3.8%	2.6%	3.4%
2Y Ave	3.3%	3.5%	3.6%	3.5%	3.3%	2.9%	3.1%	3.0%	2.7%	2.9%	3.2%	3.0%	2.9%
QoQ Annualized, %	2.0%			6.0%			0.9%			3.1%			2.9%

# S&P REV. & EARNINGS COMPS & SCORECARD

Q1 2017 QTD

SECTOR	SALES GROWTH (% CHG)	EARNINGS GROWTH (% CHG)	#REPORTED
S&P 500 (Aggregate)	6.3%	12.5%	273 / 498
Energy	24.8%	96.3%	13 / 34
Materials	8.1%	29.1%	14 / 25
Industrials	4.5%	-0.1%	52 / 67
Consumer Discretionary	8.0%	-0.3%	34 / 81
Consumer Staples	-3.2%	2.3%	13 / 37
Healthcare	8.7%	14.1%	30 / 59
Financials	6.3%	18.7%	50 / 65
Information Technology	9.6%	24.3%	35 / 67
Telecom	-4.9%	-3.7%	2 / 4
Utilities	3.0%	2.0%	7 / 28
Real Estate	5.2%	9.5%	23 / 31

Source: BBG

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Index/Security	REALIZED VOLATILITY				IMPLIED VOLATILITY*				IMPLIED** VS. REALIZED VOLATILITY									
	Duration of Realized (%)			At-The-Money %				30 Day	60 Day			3 Month						
	Ticker	30D	60D	90D	Current	v 1M Avg	v 3M Avg		v 6M Avg.	Premium	TTM	3Yr	Premium	TTM	3Yr	Premium	TTM	3Yr
S&P 500	SPX	7.6%	7.2%	6.9%	9.0%	-17.2%	-10.3%	-16.6%	SPX	4.1%	-0.62	-0.24	30.0%	0.19	0.71	45.4%	0.98	1.39
Russell 2000	RTY	14.5%	13.9%	13.9%	14.2%	-12.6%	-9.9%	-14.3%	RTY	-7.5%	-0.67	-0.69	4.0%	-0.21	-0.24	7.1%	0.05	-0.19
Nasdaq 100	NDX	8.4%	7.1%	7.4%	11.3%	-6.6%	-0.5%	-11.9%	NDX	27.2%	0.03	0.57	65.2%	1.49	2.23	64.9%	2.13	2.67
USD Index	UUP	6.2%	6.6%	7.1%	7.5%	-16.7%	-9.6%	-13.0%	UUP	18.6%	0.20	0.22	12.8%	-0.12	-0.02	2.6%	-0.66	-0.49
Consumer Discret.	XLY	8.3%	7.6%	7.7%	12.7%	10.6%	13.9%	2.1%	XLY	186.5%	5.01	6.36	61.9%	1.68	2.30	52.4%	1.97	2.33
Financials	XLF	17.4%	15.9%	15.1%	15.0%	-15.3%	-9.0%	-13.5%	XLF	-19.0%	-1.10	-0.99	-1.0%	-0.38	-0.29	4.1%	0.09	-0.04
Healthcare	XLV	7.2%	8.0%	8.9%	10.3%	-13.4%	-13.9%	-24.4%	XLV	35.0%	0.61	1.13	35.9%	1.28	1.67	30.1%	1.36	1.61
Technology	XLK	8.2%	7.3%	7.5%	9.4%	-22.9%	-18.4%	-26.2%	XLK	222.1%	5.59	7.26	100.6%	3.18	3.92	166.1%	7.69	8.01
Consumer Staples	XLP	6.3%	6.7%	7.1%	9.2%	-7.1%	-6.2%	-15.2%	XLP	50.7%	1.15	1.62	43.9%	1.74	2.06	46.7%	2.22	2.26
Utilities	XLU	7.9%	10.6%	10.8%	11.1%	-15.3%	-16.1%	-24.9%	XLU	47.4%	2.85	3.14	9.5%	0.79	1.07	12.7%	1.47	1.60
Energy	XLE	12.5%	14.8%	13.8%	16.3%	-4.7%	-2.9%	-10.2%	XLE	38.9%	1.57	1.59	10.9%	0.61	0.42	18.8%	1.68	0.90
Energy	XOP	24.0%	25.4%	22.8%	28.5%	0.7%	4.1%	-3.9%	XOP	29.7%	0.99	1.34	12.2%	0.75	0.71	25.0%	2.49	1.62
Materials	XLB	11.5%	11.0%	11.2%	13.8%	-2.4%	2.1%	-2.5%	XLB	103.2%	3.75	3.43	31.5%	1.15	1.07	37.9%	1.80	1.49
Industrials	XLI	10.6%	10.2%	9.9%	12.5%	-8.2%	-0.9%	-5.8%	XLI	43.5%	0.95	1.38	22.6%	0.44	0.74	27.3%	1.04	1.13
Transport	IYT	14.8%	14.7%	14.3%	16.6%	-3.7%	-1.4%	-4.2%	IYT	10.4%	-0.23	0.05	13.4%	-0.12	0.23	17.6%	0.22	0.51
Biotech	IBB	14.4%	15.1%	17.4%	17.4%	-9.8%	-14.5%	-26.5%	IBB	23.5%	0.87	0.92	18.9%	1.17	1.15	8.2%	0.94	0.57
WTI Crude Oil	USO	21.1%	22.2%	22.4%	29.9%	13.7%	11.8%	-2.9%	USO	13.7%	1.67	1.74	34.0%	1.88	1.33	31.8%	2.50	1.22
Natural Gas	UNG	27.8%	34.4%	42.0%	33.2%	-4.4%	-12.3%	-23.9%	UNG	23.4%	1.45	0.43	-0.7%	0.00	-0.44	-15.8%	-0.86	-0.92
Gold	GLD	8.7%	9.8%	10.3%	11.2%	-15.6%	-12.8%	-19.9%	GLD	24.4%	0.69	0.74	14.5%	0.45	0.42	11.1%	0.49	0.26
Silver	SLV	13.6%	16.4%	16.7%	19.8%	0.5%	-1.3%	-11.3%	SLV	45.4%	2.62	1.12	18.1%	1.51	0.25	19.2%	1.98	0.43
Copper	JJC	21.2%	23.5%	24.3%	24.0%	11.2%	4.8%	-5.2%	JJC	9.7%	-0.12	-0.08	0.1%	-0.31	-0.32	-6.3%	-0.54	-0.63
Corn	CORN	13.4%	13.7%	14.0%	20.8%	10.6%	13.0%	14.9%	CORN	48.5%	1.91	1.24	56.0%	2.32	1.89	58.2%	1.94	1.87
Soybeans	SOYB	8.4%	10.7%	13.5%	23.8%	20.6%	21.9%	14.3%	SOYB	139.1%	2.53	1.61	99.0%	1.38	1.10	23.8%	-0.30	-0.33
Wheat	WEAT	16.1%	18.2%	18.8%	61.9%	86.7%	114.6%	107.9%	WEAT	284.7%	3.62	3.06	170.4%	2.30	1.91	31.8%	-0.54	-0.16

\*implied volatility on at-the-money front month contracts

\*\*implied volatility of at-the-money options expiring in the given duration vs. realized volatility over the given duration

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# HEDGEYE SECTOR PERFORMANCE

<u>SECTOR</u>	<u>Ticker</u>	<u>Price</u>	<u>1-Day % Chg</u>	<u>MTD % Chg</u>	<u>YTD % Chg</u>
Consumer Discretionary	XLY	\$90.42	0.53%	2.81%	11.08%
Financial Select Sector	XLF	\$23.76	-0.46%	0.13%	2.19%
Health Care Select Sector	XLV	\$75.30	0.21%	1.26%	9.23%
Technology Select Sector	XLK	\$54.24	0.41%	1.74%	12.16%
Consumer Staples Select Sector	XLP	\$55.20	-0.13%	1.14%	6.75%
Industrial Select Sector	XLI	\$66.65	-0.03%	2.44%	7.12%
Materials Select Sector	XLB	\$53.52	-0.22%	2.12%	7.69%
The Energy Select Sector	XLE	\$67.79	-1.09%	-3.02%	-10.00%
Utilities Select Sector	XLU	\$51.95	0.35%	1.25%	6.96%
S&P 500	SPX	2,388.77	0.06%	1.10%	6.70%



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# HEDGEYE SECTOR RELATIVE PERFORMANCE

	<u>Ticker</u>	<u>Price</u>	<u>1-Day %</u> <u>Chg</u>	<u>MTD %</u> <u>Chg</u>	<u>YTD %</u> <u>Chg</u>
Consumer Discretionary	XLY	\$90.42	0.48%	1.71%	4.38%
Financial Select Sector	XLF	\$23.76	-0.52%	-0.98%	-4.50%
Health Care Select Sector	XLV	\$75.30	0.16%	0.16%	2.53%
Technology Select Sector	XLK	\$54.24	0.35%	0.64%	5.46%
Consumer Staples Select Sector	XLP	\$55.20	-0.18%	0.03%	0.05%
Industrial Select Sector	XLI	\$66.65	-0.09%	1.34%	0.42%
Materials Select Sector	XLB	\$53.52	-0.28%	1.02%	0.99%
The Energy Select Sector	XLE	\$67.79	-1.15%	-4.12%	-16.69%
Utilities Select Sector	XLU	\$51.95	0.29%	0.14%	0.26%

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# HEDGEYE STYLE FACTOR PERFORMANCE

		1D	1W	1M	3M	6M	YTD
FACTOR		% Chg					
Debt	High Debt/EV	-0.2%	0.5%	1.5%	2.1%	11.9%	4.9%
	Low Debt/EV	0.3%	1.7%	2.7%	4.8%	13.4%	8.5%
SI	High Short Interest	-0.4%	0.7%	2.1%	-0.1%	8.0%	1.9%
	Low Short Interest	0.1%	1.6%	2.3%	4.8%	13.9%	7.7%
BETA	High Beta	-0.3%	1.3%	2.9%	1.2%	18.0%	5.7%
	Low Beta	0.0%	0.3%	1.8%	5.9%	9.1%	6.7%
YIELD	High Yield	0.0%	0.1%	1.5%	1.6%	5.9%	1.5%
	Low Yield	-0.1%	1.5%	2.6%	3.8%	14.0%	8.4%
MKT CAP	MCAP Bottom 25%	-0.4%	0.3%	1.3%	-0.1%	8.1%	1.7%
	MCAP Top 25%	0.1%	1.6%	2.1%	4.4%	13.4%	7.6%
Sales	Top 25% Sales Growth	-0.1%	1.1%	2.4%	2.2%	13.4%	7.0%
	Bottom 25% Sales Growth	0.0%	0.7%	1.9%	2.3%	8.2%	3.3%
EPS	Top 25% EPS Growth	0.0%	1.0%	2.6%	1.0%	14.2%	6.7%
	Bottom 25% EPS Growth	-0.1%	0.6%	2.2%	3.3%	8.4%	3.8%

*\*Mean Performance of Top Quartile vs. Bottom Quartile, S&P500 Companies*

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# HEDGEYE RATES & SPREADS

	Price	1D	5D	1M	3M	vs. 52-Wk, Bps		vs.	vs.
		Bps Chg	Bps Chg	Bps Chg	Bps Chg	High	Low	3Y Ave	5Y Ave
3M T-Bill	0.81%	-1.0	2.5	3	29	-3	65	62	67
3M LIBOR	1.17%	0.0	1.6	2	13	0	55	65	74
2Y T-Note	1.25%	-1.4	7.8	-4	4	-15	75	51	69
5Y T-Note	1.82%	-0.6	5.2	-14	-12	-33	92	29	47
10Y T-Note	2.29%	-0.9	4.7	-12	-19	-35	97	16	14
30Y T-Note	2.96%	0.4	6.3	-6	-9	-25	88	11	-6
2Y-10Y Spread, Bps	104	1.1	-2.5	-7.3	-22	-20	22	-35	-54
IG SPREAD (AAABBB)	1.52%	0.0	-1.0	-1	1	-48	7	-18	-21
HIGH YIELD	5.62%	-0.2	-5.4	-60	-56	-187	0	-104	-91
5Y BREAK EVEN	1.82%	-0.9	4.1	-13.5	-20.8	-25.8	56.7	25.9	9.9

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# CFTC NON-COMMERCIAL NET LONG POSITIONING

METRIC	Latest	W/W Chg	3M Ave	6M Ave	1Y Ave	Z-Score	
						1Y	3Y
SPX (Index + E-mini)	141,484	15,681	91,154	35,631	64,409	0.98X	1.53X
Russell 2000 (mini)	(70,662)	(14,017)	(7,799)	23,433	6,488	-1.77X	-1.39X
10Y Treasury	31,558	55,314	(187,777)	(205,143)	(75,490)	0.61X	0.75X
CRUDE OIL	497,267	20,071	517,099	475,680	419,659	0.95X	1.73X
GOLD	161,263	20,856	95,507	92,205	162,582	-0.02X	0.79X
COPPER	16,314	(9,552)	33,912	40,210	11,274	0.16X	0.97X
USD	43,402	(896)	45,772	49,243	32,723	0.58X	0.20X
JPY	(29,668)	4,764	(52,945)	(45,020)	2,738	-0.59X	0.02X
EUR	(20,923)	(6,591)	(31,677)	(63,672)	(72,108)	1.36X	1.48X
GBP	(101,267)	6,338	(86,782)	(77,352)	(71,913)	-1.37X	-1.84X

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# MARKET SHARE VOLUME & TOTAL VALUE TRADED

<u>INDEX/SECURITY</u>	VOLUME: (4/27) vs.			
	<u>Prior Day</u>	<u>1M Ave</u>	<u>3M ave</u>	<u>1Y Ave</u>
Total Market Volume*	2%	8%	12%	54%
<hr/>				
Total Exchange Volume**	-3%	11%	6%	4%
Total Traded Value (R3K)***	-1%	10%	4%	6%

\*Total Market Volume = Total US exchange volume plus OTC and OTCBB trading volume for all security types. Calculated by Bloomberg.

\*\*Tape A+B+C volume = total US exchange volume

\*\*\* Total Traded Value for Russell 3000 (total mkt proxy)

Source: Bloomberg, Hedgeye

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# KEY \$USD CORRELATIONS

METRIC	15D	30D	90D	120D	180D	52-Wk Rolling 30D Correlation			
						High	Low	% Time Pos	% Time Neg
SPX	-0.65	-0.33	-0.38	-0.25	0.62	0.95	-0.75	52%	48%
BRENT Oil	0.83	0.62	0.43	0.32	0.67	0.77	-0.78	56%	44%
CRB Index	0.73	0.16	-0.08	0.32	0.75	0.83	-0.86	35%	65%
GOLD	-0.03	-0.09	-0.72	-0.72	-0.88	0.90	-0.97	17%	83%

\*Days = Trading Days

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